



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Tuesday Evening, August 31, 2010

Major Developments

Hurricane Earl Knocks Out Power to 200,000 Customers in Puerto Rico, about 90 Percent of Customers in U.S. Virgin Islands by August 31

Hurricane Earl knocked out power to 200,000 customers in Puerto Rico and approximately 90 percent of the U.S. Virgin Islands, but according to multiple news sources, a FEMA spokesman said both locations had "overall fared very well." The U.S. Virgin Islands' outages were largely "preventive," according to an article from MarketWatch. Earl, a Category 4 storm, was forecast to make landfall in Nova Scotia, Canada, as of latest reports. It was also threatening to impact numerous states along the U.S. East Coast as it makes its way north.

<http://www.marketwatch.com/story/earl-now-a-category-3-east-coast-could-take-hit-2010-08-30?dist=afterbell>
<http://www.bloomberg.com/news/2010-08-31/hurricane-earl-puts-u-s-east-coast-on-evacuation-alert-should-path-shift.html>

Hurricane Earl Forces Shut U.S. Virgin Island Ports by August 30

Hurricane Earl forced the U.S. Coast Guard to order shut all ports in the U.S. Virgin Islands on August 30, including a Hovensa LLC-controlled harbor, the company said. The storm, however, had not impacted operations at Hovensa's 500,000 b/d St. Croix refinery, as of latest reports. It was also not expected to disrupt major oil and gas platforms in the U.S. Gulf of Mexico.

Reuters, 16:34 August 30, 2010

Reuters, 11:36 August 31, 2010

Electricity

Substation Failure Knocks Out Power to up to 71,000 JCP&L Customers in New Jersey August 30

A substation failure forced offline numerous other substations, knocking out power to up to 71,000 Jersey Central Power & Light (JCP&L) customers in New Jersey on August 30. The company

http://www.firstenergycorp.com/outages/outages.do?state_code=NJ

<http://www.app.com/article/20100830/NEWS/100830086/Power-being-restored-to-thousands-who-lost-service-in-Monmouth-Cty>

TVA's 1,155 MW Browns Ferry Nuclear Unit 1 in Alabama Reduced to 87 Percent by August 31

The Nuclear Regulatory Commission reported that on the morning of August 30 the unit was operating at full power.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Update: Duke's 754 MW Moss Landing Gas-Fired Unit 6 in California Returns to Service by August 30

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus201008301515.html>

SCE's 200 MW Eastwood Hydro Unit in California Shut by August 30

According to the California Independent System Operator, the unit reported an unplanned outage by August 30.

<http://www.caiso.com/unitstatus/data/unitstatus201008301515.html>

AES's 179 MW Redondo Gas-Fired Unit 5 in California Reduced by August 30

According to the California Independent System Operator, the unit reported an unplanned curtailment of 134 MW by August 30.

<http://www.caiso.com/unitstatus/data/unitstatus201008301515.html>

FirstEnergy Seeks to Renew License for 908 MW Davis-Besse Nuclear Power Plant in Ohio

FirstEnergy Nuclear Operating Company (FENOC) filed an application with the Nuclear Regulatory Commission (NRC) to renew the operating license for the 908 MW Davis-Besse nuclear power plant, the company said on August 30. The facility's existing license runs until 2017; the renewed license would extend operations for another 20 years, until 2037.

<http://www.firstenergycorp.com/NewsReleases/2010-08-30%20FENOC%20Submits%20License%20Renewal%20Application%20For%20Dav.pdf>

Update: Citing Recent Power Outages, Maryland Governor Urges State PSC to Consider Reliability Standards for PEPCO and Other In-State Utilities

Maryland Governor Martin O'Malley urged the Public Service Commission (PSC) to consider instituting reliability standards against which Pepco and other Maryland utilities could be measured with regard to frequency and duration of outages. The Governor sent the letter on the same day, August 30, that the PSC began field hearings in its investigation into recent Pepco power outages.

<http://www.governor.maryland.gov/pressreleases/100830.asp>

Petroleum

Update: High Seas Postpone BP's Plans to Replace BOP at Blown-Out Well in Gulf of Mexico by August 30

High seas postponed BP's plans to remove the capping stack and replace the failed blow out preventer (BOP) on the Macondo well in the Gulf of Mexico, the company and the federal government said on August 30. It was not clear when the company might resume operations.

<http://www.bp.com/extendedsectiongenericarticle.do?categoryId=9034427&contentId=7063885>
<http://app.restorethegulf.gov/go/doc/2931/888691/>

Update: Enbridge Begins Hydrostatic Testing along 190,000 b/d, 30-inch, Indiana-to-Ontario Lakehead System Line 6B August 30

Enbridge began hydrostatic testing along its 190,000 b/d, 30-inch, Indiana-to-Ontario Lakehead System Line 6B on August 30, more than one month after the line ruptured and spilled about 19,000 barrels of oil into a creek near a Marshall, Michigan pump station. Federal regulators were expected to review the results before they ruled on the company's request to restart the line. Line 6B's continued shutdown had, by August 30, forced Enbridge to limit shipments along two other Midwest pipelines: the 193,000 b/d, Illinois-to-Oklahoma Spearhead line and the Illinois-to-Oklahoma Ozark line. The company reduced September nominated volumes by 79.55 percent along Spearhead, and by 87.23 percent along Ozark line. The Ozark line is part of Enbridge's 231,000 b/d Midcontinent pipeline system.

<http://www.calgaryherald.com/technology/Enbridge+begins+tests+repaired+pipeline/3462890/story.html>
<http://www.foxbusiness.com/markets/2010/08/30/enbridge-starts-pressure-test-pipeline/>

Reuters, 16:47 August 30, 2010

Update: After Weekend Power Outage, ConocoPhillips Restarting Process Units at 306,000 b/d Wood River, Illinois Refinery by August 30

ConocoPhillips was restarting process units after a weekend power failure at its 306,000 b/d Wood River, Illinois refinery, the company said in a filing with state regulators on August 30. A crude distillation unit was among the affected units.

Reuters, 06:237 August 31, 2010

Update: Valero Restarting Coker Unit at 170,000 b/d Benicia, California Refinery by August 31

Valero was restarting a coker unit at its 170,000 b/d Benicia, California refinery, it said on August 31. The company shut the unit for unplanned work in June. Valero had expected the outage to last for 40 days, but it later extended that window to about 60 days.

<http://online.wsj.com/article/BT-CO-20100831-707856.html>

OPEC Oil Production Slides to Lowest Total since January as Bombing Slashes Iraqi Output: Bloomberg News

OPEC produced 29.15 million b/d of oil, on average, in the month of August, 0.3 percent less than in July and the lowest-monthly total since January, according to a Bloomberg News survey. Iraq accounted for most – 70,000 b/d – of the slide, Bloomberg said. A late-month bombing forced shut an Iraqi export pipeline for about a week.

<http://www.bloomberg.com/news/2010-08-30/opec-oil-output-declined-on-iraqi-pipeline-bombing-bloomberg-survey-shows.html>

Natural Gas

Update: Tres Palacios Aims to Open Third Cavern at Existing 27 Bcf Natural Gas Storage Facility in Texas

Tres Palacios Gas Storage LLC seeks to open the third of four planned caverns at its natural gas storage facility in Matagorda County, Texas, Intelligence Press, Inc. said on August 31. The existing, two-cavern site has over 27 Bcf of working gas capacity, 12 Bcf of gas storage, a maximum withdrawal rate of 2.5 Bcf/d, and a maximum injection rate of 1 Bcf/d, according to the company's website. The company expects to eventually increase working gas capacity to 47.9 Bcf.

<http://intelligencepress.com/>

<http://www.ngsenergy.com/trespalacios/>

Other News

Resource Recovery Plans 50 MMGal/Yr. Trash-Based Ethanol Plant in Pennsylvania

Resource Recovery and an unidentified company plan to file plans in 2010 to construct a 50 MMGal/Yr. trash-based ethanol plant in Rush Township, Pennsylvania, Resource Recovery's president said by August 31.

<http://www.centredaily.com/2010/08/31/2178778/landfill-project-changes-course.html>

Green Vision Group, Others Plan 10 MMGal/Yr. Beet-to-Ethanol Plant in North Dakota

The project's backers had previously aimed to develop a full-scale facility, but now plan to construct a 10 MMGal/Yr. pilot plant, according to the president of Green Vision Group.

<http://www.agweek.com/event/article/id/17014/>

Energy Prices

U.S. Oil and Gas Prices August 31, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	72.93	71.44	69.89
NATURAL GAS Henry Hub \$/Million Btu	3.77	4.12	2.52

Source: Reuters

Geese Suspected of Flying into Transmission Lines as 19,000 National Grid Customers Lose Power in New Hampshire by August 30 – Company Restores Power to Most, as of Latest Reports

<http://www.eagletribune.com/latestnews/x329610279/At-least-18-000-without-power-in-Lawrence-Methuen>

Update: Copper Thieves Strike Underground Electrical Vaults at Least 12 Times over Three-Week Span in San Francisco, California

<http://www.sfxaminer.com/local/Liberated-copper-wire-causes-fit-of-problems-101773848.html>

Underground Electrical Explosion Cuts Power to 28-Square Block in Eugene, Oregon August 29-30 – Eugene Water and Electric Board Restores Power to Most, as of Early August 30

<http://www.kmtr.com/news/local/story/Blackout-hurts-downtown-business/KZeRKd8BHE6AKEF9xaAZ-A.csp>

Iberdrola Renewables Breaks Ground on Planned 74 MW Hardscrabble Wind Power Project in Fairfield, Norway, and Little Falls, New York by August 30

http://iberdrolarenewables.us/rel_10.08.30.html

SunPower to Install at Least 20 MW of Solar Power Capacity at Numerous U.S. Government Properties

<http://investors.sunpowercorp.com/releasedetail.cfm?ReleaseID=503244>

Barclays Capital and HSBC Analysts Reduce Forecasts for Wind Energy Growth in 2010 and 2011, Citing Low Electricity Demand

Reuters, 07:53 August 31, 2010

NRC Weighing Plans to Store Nuclear Waste for Longer than 30 Years at Decommissioned Locations – NRC Chairman Says Waste Could “Be Stored Safely and without Significant Environmental Impacts for at Least 60 Years beyond the Licensed Life for Operation”

http://www.reformer.com/localnews/ci_15934549

Nuclear Power Industry Better-Equipped than Most Sectors to Thwart Cyber Attacks: Government, Industry Sources

http://www.globalsecuritynewswire.org/gsn/nw_20100827_1692.php

Thermal Oxidizer Issue Leads to Benzene Release at ExxonMobil’s 348,500 b/d Beaumont, Texas Refinery

Reuters, 07:13 August 31, 2010

Compressor Problem Triggers Flaring at ExxonMobil’s 238,600 b/d Joliet, Illinois Refinery August 27 – Company says it is Meeting Customer Obligations, as of August 30

<http://online.wsj.com/article/BT-CO-20100831-707856.html>

Oil Sheen Offshore San Diego County, California Dissipating On Its Own: U.S. Coast Guard

<http://latimesblogs.latimes.com/lanow/2010/08/oil-slick-off-san-diego-appears-to-be-dissipating-coast-guard-says.html>

Citing Pollution Concerns, the Bahamas Suspends Applications for Offshore Oil Exploration and Drilling Pending Development of Regulations to Safeguard the Marine Environment by August 31

http://www.rigzone.com/news/article.asp?a_id=98110

Should Current Growth Rates Continue, Hydrodec Plc Plans to Construct Oil Recycling Plant in United States during 2011

DJN, 11:00 August 31, 2010

Greenpeace Activists Breach Cairn Energy Rig Offshore Greenland, Forcing Shut Operations August 31 – Company Announced Natural Gas Discovery Last Week

<http://www.google.com/hostednews/ap/article/ALeqM5h8H7jkWc3itAIS8Aiu6YFjXBOTqAD9HUF9U01>

Update: Sabotage, Oil Theft to Blame for 98 Percent of Oil Spills at Shell Facilities in Nigeria Last Year: Company

http://www.downstreamtoday.com/news/article.aspx?a_id=23864

Update: State EPA Investigating Odor Complaints at Heartland Petroleum Oil Recycling Refinery in Ohio – Judge Had Threatened to Shut Facility Down if Company Failed to Control Releases

<http://www.10tv.com/live/content/local/stories/2010/08/30/story-columbus-heartland-petroleum-epa-investigation.html?sid=102>

KiOR Plans Three Biomass-to-Fuel Processing Plants in Mississippi

<http://www.chron.com/dispatch/story.mpl/ap/business/7174957.html>

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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